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HOUSEHOLD DURABLE AND RECREATION AND HOBBY EXPENDITURES

by

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From 1946 until 1970, the Survey Research Center, with the support of the Federal Reserve Board, conducted an annual Survey of Consumer Finances (SCF). These surveys were updated and enlarged with the 1977 Survey of Consumer Credit (SCC), jointly funded by the Board, the FDIC and the Comptroller of the Currency. The 1977 Survey of Consumer Finances adds to the rich source of cross-sectional data on the distribution of assets, debts, durable goods and financial transactions among American families. This national survey consisted of 2,563 respondents personally interviewed during August 1977.

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HOUSEHOLD DURABLE AND RECREATION AND HOBBY ITEM EXPENDITURES

Highlights

During the past decade, households have displayed relatively stable purchase patterns for household durables, recreation and hobby items, but the method of financing these purchases has changed.

Household Durables:

- -- Over forty percent of all families reported purchasing at least one household durable in 1977. Eight percent reported purchasing two or more major appliances (Table 1).
- -- The proportion of families purchasing durables in 1977 (41%) was down slightly from the 1960s levels, although within survey sampling error (Table 1).
- -- The average amount spent on household durables during 1977 was $750. The median amount spent was over $500 (Table 1).
- -- Cash remained the most common means of payment for household durable purchases. Approximately two-thirds of all household durable purchases in 1977 were made with cash. The remaining one-third was divided evenly between installment debt and credit cards (Table 4).
- -- Installment debt for durable purchases was most often received from the store of purchase (Table 4).
- -- Store credit cards were used four times more often than bank credit cards for durable purchases (Table 4).

Recreation and Hobby Items:

- -- Thirteen percent of all families reported at least one recreation and hobby item purchase in 1977 (Table 7).
- -- The proportion of families purchasing recreation and hobby items (13%) was also down from earlier levels, although within survey sampling error (Table 7).
- -- The average and median amount spent on recreation and hobby items was $1,030 and $350 respectively, in 1977 (Table 7).
- -- Similar to household durables, slightly more than two-thirds of all recreation and hobby item purchases were made with cash.
- -- Unlike household durables, installment debt was twice as likely as credit cards to be used for credit purchases (Table 10).
- -- Installment debt for recreation and hobby item purchases was most often received from banks (Table 10).
- -- Store credit cards were used twice as often as bank credit cards for recreation and hobby item purchases (Table 10).

Durable Purchase Behavior and Amounts Spent in 1977 and 1969

Spending patterns for household durables, recreation and hobby items remained very similar in 1977 to their patterns in the 1960's. In addition to similar patterns of spending across economic and demographic groups, the level of purchase behavior, after accounting for inflation, was not significantly different from earlier levels.

The proportion of families reporting household durable[a] purchases was 41 percent in 1977, down slightly from 45 percent in 1969 (Table 1). The proportion of families reporting recreation and hobby item[b] purchases was 13 percent in 1977, four percentage points lower than in previous years (Table 7). The recorded declines, however, were not significant at the ninety-five percent confidence level. The declines were no larger than the expected variability due to sampling.

The average and median amount (in current dollars) spent on household durables was $750 and $520, respectively, in 1977. These amounts remained virtually unchanged since 1969 after adjusting for inflation (Table 1). The average and median reported amount spent on recreation and hobby items was $1,030 and $350, respectively, in 1977, more than twice the $480 and $170 recorded in 1969 (Table 7).

The use of credit when making purchases was somewhat more frequent for durables, and significantly more frequent for recreation

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[a]Household durables consist of all items of movable furniture and all electrical and gas appliances not permanently built-in or attached to the dwelling structure. Such items as personal effects, non-household items, and non-appliance items are not included.

[b]Recreation and hobby items include boats and boating equipment, sporting equipment, motorcycles, snowmobiles, CB radios, camping equipment, vacation trailers, stereo and photography equipment, musical instruments, power tools, and the like.

and hobby item purchases. Forty-four percent of households who purchased durables used credit to finance all or part of at least one purchase in 1977, up from 39 percent in 1969 (Table 1). Thirty percent of recreation and hobby item purchasing families reported they had used credit in 1977, up from 22 percent in 1969 (Table 7).

Household Durable and Recreation Hobby Item Purchase Patterns--1977

Overview

Purchase patterns for household durables and recreation and hobby items across income levels and age groups during 1977 were similar to those of past years (Tables 2 and 8). For household durables and recreation and hobby items the likelihood of purchasing at least one item and the likelihood of purchasing two or more items were both positively related to family income; the likelihood of purchasing at least one item and the likelihood of purchasing two or more items both decreased with the age of family head.

Those most likely to purchase either household durables or recreation and hobby items continued to be married persons under the age of 45 (Tables 2 and 8). For durables as well as recreation and hobby items, families who bought a house within three years of the survey were the most likely group to make a purchase. For both household durables and recreation and hobby items, married two-worker families were more likely to make a purchase than married one-worker families.

Impact of Family Income

Table 3 indicates that the proportion of families purchasing at least one household durable rose monotonically from 22 percent of those families earning less than $5,000 to 57 percent of those families earning $25,000 or more. The proportion of families purchasing two or more household durables increased from 7 percent of those families earning less than $5,000 to 25 percent of those earning $25,000 or more (Charts 1 and 2). In a similar fashion, the proportion of families purchasing at

least one recreation and hobby item rose from 4 percent of those families in the lowest income bracket to 26 percent of those earning $20,000 to $24,999. The lone exception to a positive relationship between family income and recreation and hobby item purchases occurred in the highest income bracket, where the percentage of families purchasing at least one recreation and hobby item was five percentage points lower than that of the preceding income bracket (Table 9 and Chart 1). Although the magnitudes involved were quite small, the likelihood of purchasing two or more recreation and hobby items also increased with family income.

The proportion of families purchasing two or more items rose from 1 percent of those families in the lowest income bracket to 5 percent of those families in the highest income bracket (Table 9 and Chart 2).

CHART 1

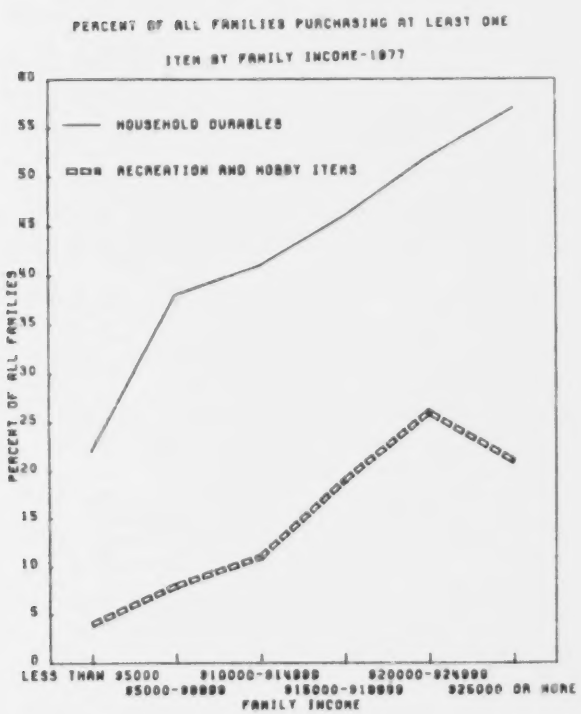
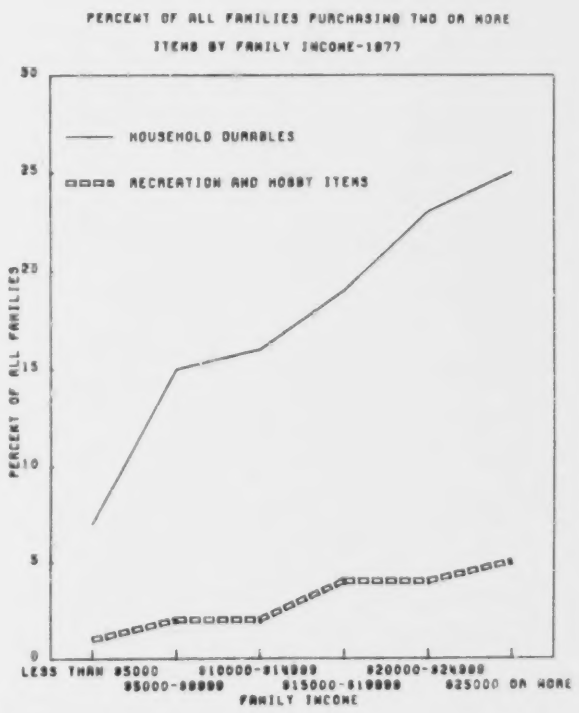


CHART 2



The proportion of families purchasing household durables was larger than the proportion purchasing recreation and hobby items for all income brackets during 1977. The difference declined, however, as family income increased. Families in the lower income brackets were five times more likely to purchase a household durable than a recreation and hobby item, whereas families in the higher income brackets were only between two and three times more likely to do so.

Impact of Age of Family Head

The likelihood of purchasing one household durable or recreation and hobby item and the likelihood of purchasing two or more were both inversely related to age of family head in 1977. Table 3 indicates that households with family heads younger than age 25 were over two times more likely to purchase at least one household durable, and nearly four times more likely to purchase two or more household durables than family heads age 65 or older (see also Charts 3 and 4). The proportion of households purchasing at least one recreation and hobby item remained essentially constant at 20 percent up to age 44 and declined thereafter, and the proportion of families purchasing two or more recreation and hobby items remained constant at approximately 5 percent up to age 44 and slowly declined to less than 0.5 percent for families with heads 65 or older (Table 9). Overall, households with family heads age 44 or younger were six times more likely to purchase at least one recreation and hobby item, and ten times more likely to purchase two or more recreation and hobby items than households with family heads age 65 or older (see Charts 3 and 4).

CHART 3

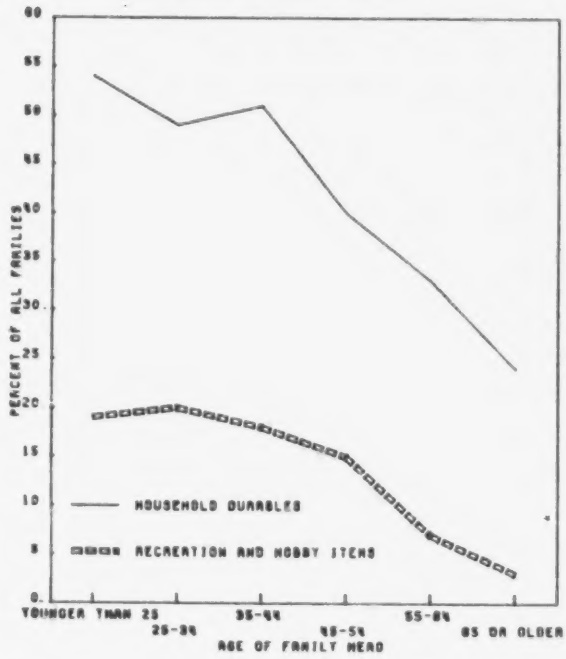
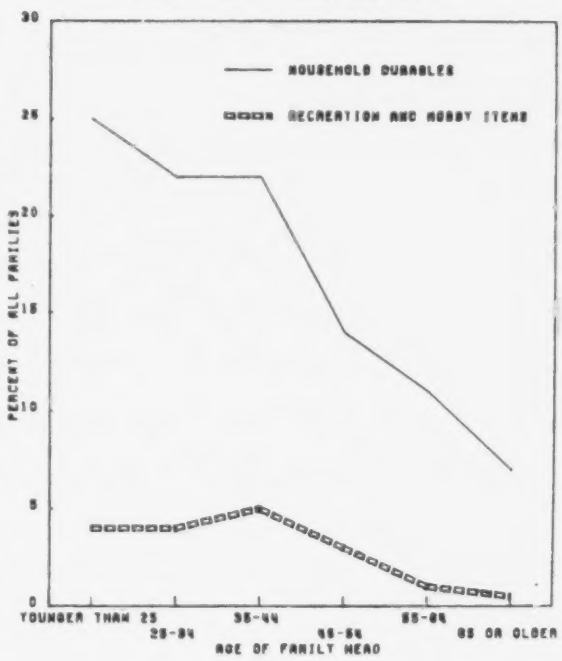


CHART 4



Impact of Life Cycle of Family Head

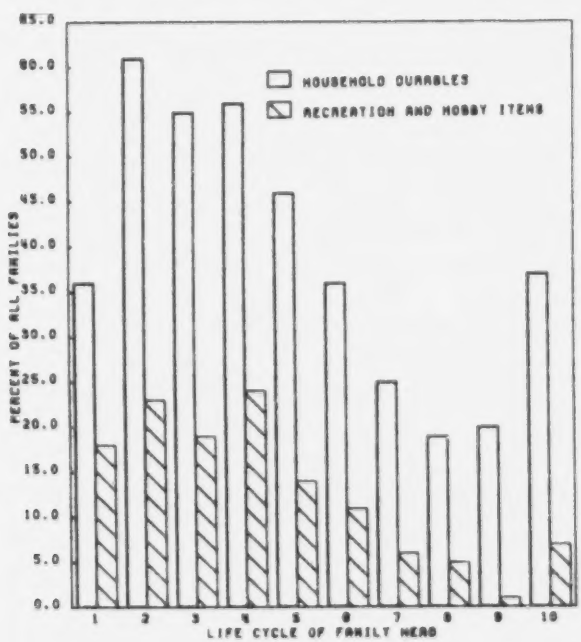
Although down slightly from 1969 reported levels, married family heads under age 45 were the most likely group to purchase household durables or recreation and hobby items (Tables 2, 3, 8, 9; Chart 5). Over 50 percent of family heads from this life cycle purchased at least one household durable, and 25 percent purchased two or more household durables. Over 20 percent of married heads younger than age 45 purchased one recreation and hobby item, and 5 percent purchased two or more recreation and hobby items. Only one group in the age 45 or older life cycle reported near equal purchasing behavior for either household durables or

recreation and hobby items, and that was married heads with children. Of heads in this life cycle, 46 percent purchased at least one household durable and 18 percent purchased two or more, while 14 percent purchased at least one recreation and hobby item and 3 percent purchased two or more.

For single heads, both the likelihood of purchasing a household durable and the likelihood of purchasing a recreation and hobby item were much lower, except in the case of unmarried heads younger than age 45 with no children who reported purchasing at least one recreation and hobby item. Thirty-six percent of single heads younger than age 45 and 25 percent of single heads age 45 or older purchased at least one household durable. Ten percent of single heads of any age purchased at least one recreation and hobby item.

CHART 5

PERCENT PURCHASING AT LEAST ONE ITEM BY LIFE CYCLE OF FAMILY HEAD-1977



Life Cycle of Family Head

Under age 45

1 - Unmarried, no children
2 - Married, no children
3 - Married, youngest child under age six
4 - Married, youngest child age six or older

Age 45 or older

5 - Married, has children
6 - Married, no children, head in labor force
7 - Married, no children, head retired
8 - Unmarried, no children, head in labor force
9 - Unmarried, no children, head retired

Any age

10 - Unmarried, has children

Impact of Number of Workers

In recent years there has occurred an unprecedented growth of households with more than one wage earner. Although this is sometimes caused by financial stress, more often than not a second worker increases the discretionary income of the household. For both household durables and recreation and hobby items the presence of a second worker led to a greater likelihood of purchase during 1977 (Tables 3 and 9). Fifty-four percent of married two-worker families purchased at least one durable compared with 46 percent among married one-worker families. Twenty percent of married two-worker families purchased at least one recreation and hobby item compared with 16 percent among married one-worker families.

Impact of Housing Status

If one abstracts from duration of housing occupancy, house ownership had only a minor effect on purchasing behavior. Of those families who owned houses during 1977, 42 percent purchased at least one household durable and 16 percent purchased two or more. Among renters, 39 percent purchased at least one household durable and 14 percent purchased two or more (Table 3). A similar relationship holds for recreation and hobby items. Among home owners, 14 percent purchased at least one recreation and hobby item and 3 percent purchased two or more. Among renters, 12 percent purchased at least one recreation and hobby item and 3 percent purchased two or more items (Table 9).

Families who recently purchased a house were more likely to make a purchase than those families who bought a house at least three years prior to the survey, and those families who recently moved into rentals

were more likely to make a purchase than those who moved in at least three years prior to the survey (Tables 3 and 9). In those cases where families bought their house between 1974 and 1977, 54 percent purchased at least one household durable and 20 percent purchased at least one recreation or hobby item, compared with 37 percent and 12 percent respectively among families who bought their house prior to 1974. Of those families who moved into a rental between 1974 and 1977, 44 percent purchased at least one household durable and 13 percent purchased at least one recreation or hobby item, compared with 30 percent and 9 percent respectively for those families who moved into a rental unit prior to 1974.

A more dramatic relationship appears if one considers the joint affect of housing status and duration of housing occupancy on purchasing behavior. For both durables and recreation and hobby items, families who bought a house within three years of the survey were far more likely to make a purchase than families who moved into rentals within the same three-year period.

Amounts Spent on Household Durables, Recreation and Hobby Items--1977

Overview

Total amounts spent on household durables and recreation and hobby items generally increased with the level of family income during 1977. For household durables, amounts spent declined with age of family head whereas amounts spent on recreation and hobby items essentially increased with age of family head. Married household heads younger than age 45 spent more on durables than most other life cycle groups, but were outspent by most other life cycle groups with respect to recreation and hobby items. Married two-worker families also spent more on durables and less on hobby and recreation items than married one-worker families.

Impact of Family Income

As in previous years, total amounts spent on household durables increased with the level of family income during 1977. Table 3 indicates that from a low of $280 for those families earning less than $5,000, the median amount spent on household durables increased to $720 for those famili-s earning $25,000 or more. Likewise, among families in the lowest income group who purchased at least one household durable, only 27 percent spent $500 or more compared with nearly 70 percent among families in the highest income bracket (see Charts 6 and 7).

Total amounts spent on recreation and hobby items generally increased with the level of family income, although the differences were not as large as those recorded for household durables. Except for the lowest income group, which outspent the next higher income group by $80 ($250 versus $170), the median amount spent on recreation and hobby

items increased with the level of family income. Among families earning $25,000 or more, the median amount spent reached a peak of $490 (Table 9). Only 25 percent of the households in the lowest income group who purchased recreation and hobby items spent $500 or more compared with 50 percent among purchasers in the highest income group (see also Charts 6 and 7).

CHART 6

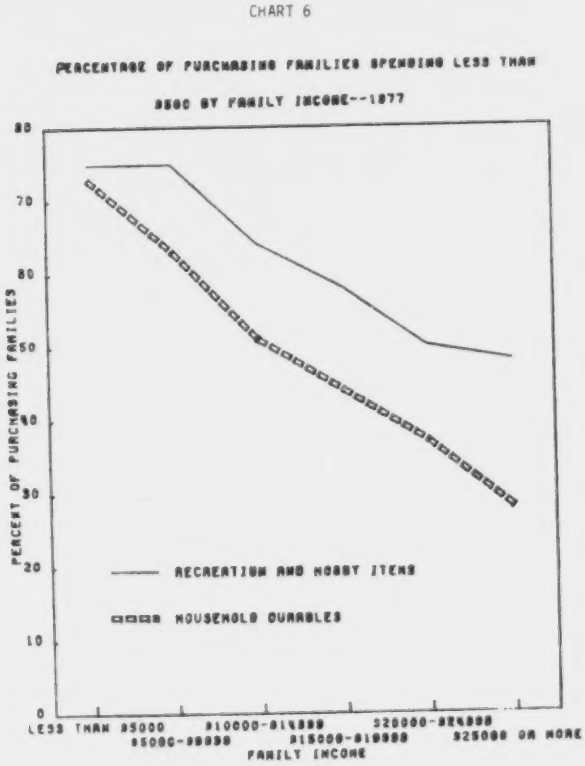
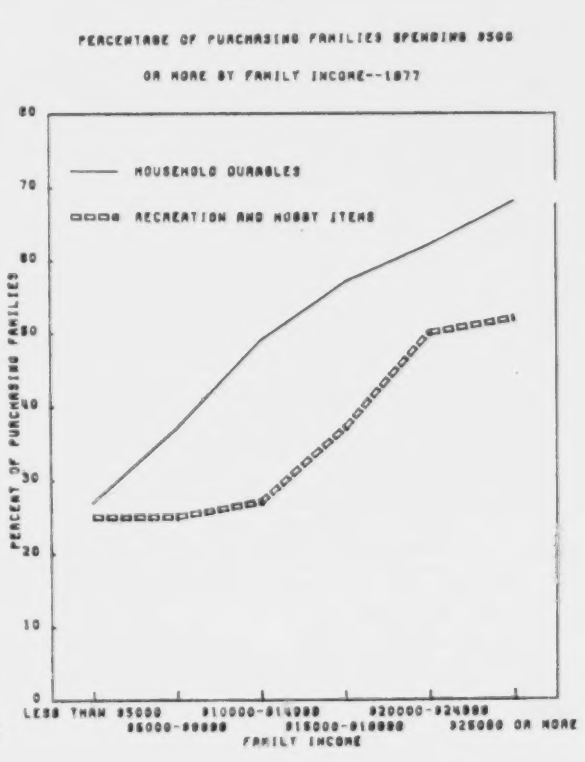


CHART 7



Impact of Age of Family Head

Except for family heads younger than age 25, total amounts spent on household durables was inversely related to age of family head (Table 3). From a high of $910 among families with heads between age 24 and 35, the

average annual amount spent on household durables decreased to $520 among those heads age 65 or older. Of those family heads between age 24 and 55 who made at least one household durable purchase, 60 percent spent $500 or more. Only 37 percent of family heads age 65 or older who purchased at least one household durable spent $500 or more.

The relationship between amounts spent on recreation and hobby items and age of family head differed from that exhibited for household durables. Although the likelihood a family would make a recreation and hobby item purchase declined with age, amounts spent on recreation and hobby items for the most part increased along with the age of the family head (Table 9). From a low of $240 for family heads younger than age 25, the median amount spent on recreation and hobby items rose to $510 for those heads aged 45-54, fell to $390 for those heads aged 55-64, and then increased to $500 for family heads age 65 or older. The same pattern held for average amounts spent.

Impact of Life Cycle, Number of Workers, and Housing Status

On average, married heads younger than age 45 outspent most other life-cycle stages with respect to household durables (Table 3). Of those married heads younger than age 45 that purchased at least one household durable, 60 percent spent $500 or more. In contrast, only 40 percent of single heads spent $500 or more on household durables. The situation differs for amounts spent on recreation and hobby items. Although married heads younger than age 45 were the most likely life-cycle group to purchase a recreation and hobby item, this group was outspent by most other life-cycle groups. Among married heads younger than age 45 who made at least one recreation and hobby item purchase, only 50 percent spent $500 or more (Table 9).

Married, two-worker families spent more on household durables than married, one-worker families (Table 3). Among married, two-worker families who purchased at least one household durable, 60 percent spent $500 or more compared to 50 percent for married, one-worker families. The opposite held true for amounts spent on recreation and hobby items. Married, one-worker families reported a higher median amount spent ($410 to $350) and a higher average amount spent ($1,070 to $940) than married, two-worker families. Of married, one-worker families who purchased at least one recreation and hobby item, 43 percent spent $500 or more compared to 40 percent for married, two-worker families (Table 9).

Families who bought a house within three years of the survey spent more on household durables than families who moved into rentals within the same three year period. Moreover, those families who recently purchased a house spent more on household durables than those families who bought a house at least three years prior to the survey. Families who recently moved into rentals also outspent those who moved into rentals at least three years prior to the survey (see Table 3). Families who bought their house during the period 1974-1977 spent an average amount of $910 compared to $680 for those families who bought their houses prior to 1974. Families who moved into a rental during 1974-1977 spent an average amount of $640 compared to $480 for those families who moved into their rental prior to 1974. Of families who purchased a home during 1974-1977, 63 percent spent $500 or more on household durables compared to only 40 percent for families who moved into a rental prior to 1974.

Means of Payment for Household Durables, Recreation and Hobby Items--1977

Means of Payment for Household Durable Purchases

Cash remained the most common means of payment for household durable purchases during 1977. Excluding those purchases in which the means of payment could not be ascertained, two-thirds of all household durable purchases were made with cash, while the remaining one-third was divided fairly evenly between installment debt and credit cards (Chart 8 and Table 4). With the exception of the miscellaneous household durable category, roughly two-thirds of each specific household durable was purchased with cash (Table 6). The use of cash declined as the purchase price of the household durable increased. For transactions involving more than $1,000, slightly over one-half used cash. The use of installment debt increased to over one-third of all such transactions (Chart 9 and Table 4).

CHART 8

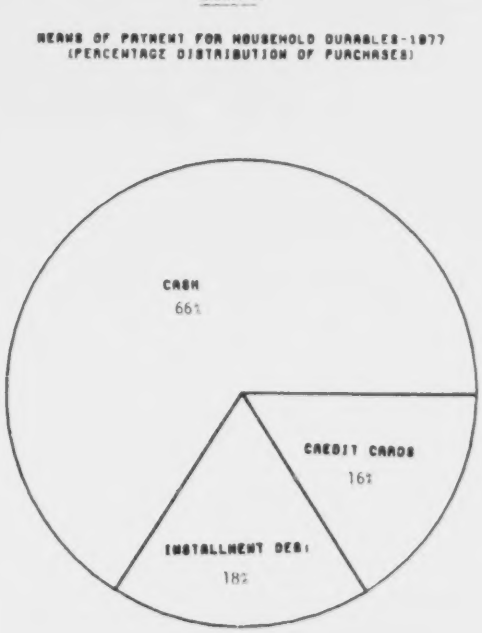
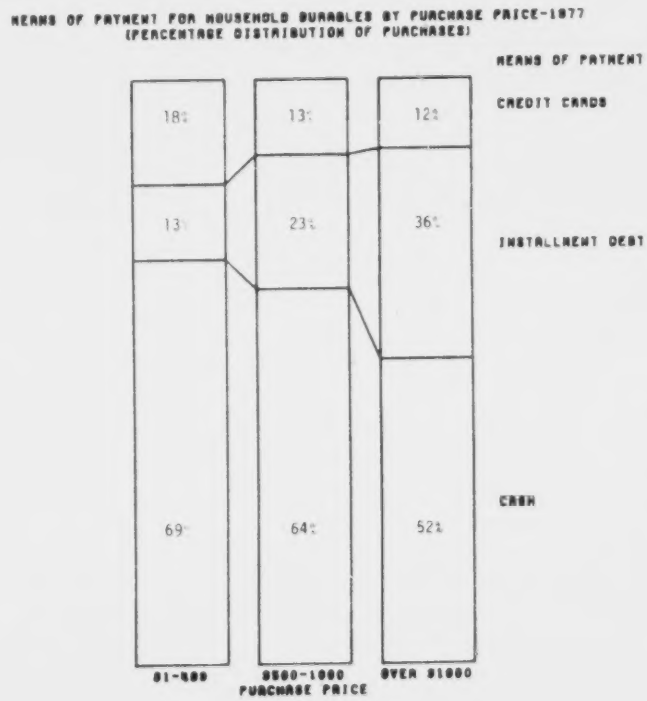


CHART 9



Among families who purchased a household durable and used installment debt, roughly twice as many received their line of credit from the store of purchase than from either banks or finance companies/credit unions. However, as the price of an item increased to over $1,000, approximately one-half of all installment debt purchasers received their line of credit from banks (Table 4). Among credit card purchases, store cards were four times more likely to be used than bank cards. While the use of bank cards did increase relative to store cards for larger priced purchases, store cards were still more than twice as likely to be used for items costing more than $1,000 (Table 4).

Means of Payment for Recreation and Hobby Item Purchases

Similar to household durables, the vast majority of all recreation and hobby item purchases were made with cash. Unlike household durables, installment debt was twice as likely as credit cards to be used for credit purchases (Chart 10 and Table 10). The use of cash declined rapidly as the purchase price of recreation and hobby items increased. For transactions involving more than $1,000, slightly over one-half were purchased by cash. The use of installment debt increased to nearly one-half of all such transactions (Chart 11 and Table 10).

Unlike household durables, among those families who purchased recreation and hobby items and used installment debt, nearly twice as many received their line of credit from banks than from either store of purchase or finance company/credit union (Table 10). Among credit card purchases, store cards were twice as likely to be used as bank cards. However, as the purchase price of recreation and hobby items increased to over $1,000, nearly all credit card purchases were made with bank, not store cards (Table 10).

CHART 10

MEANS OF PAYMENT FOR RECREATION AND HOBBY ITEMS-1977
(PERCENTAGE DISTRIBUTION OF PURCHASES)

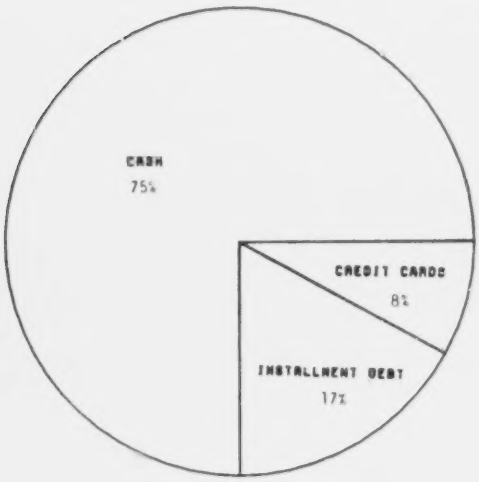
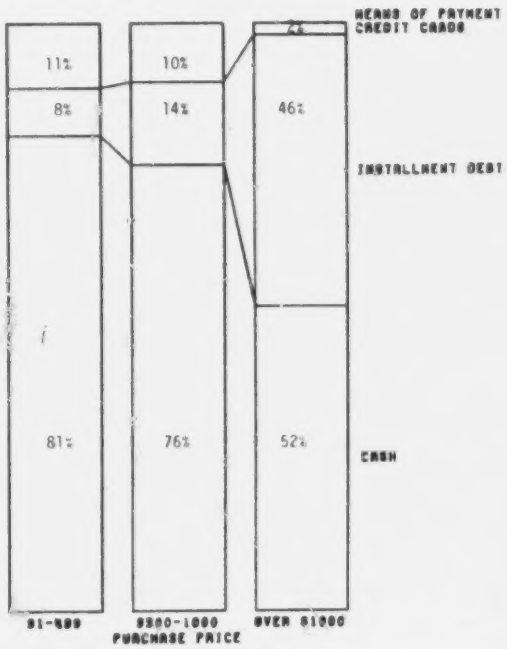


CHART 11

MEANS OF PAYMENT FOR RECREATION AND HOBBY ITEMS BY PURCHASE PRICE-1977
(PERCENTAGE DISTRIBUTION OF PURCHASES)



A Closer Look at Credit Purchases by Selected Demographic Groups

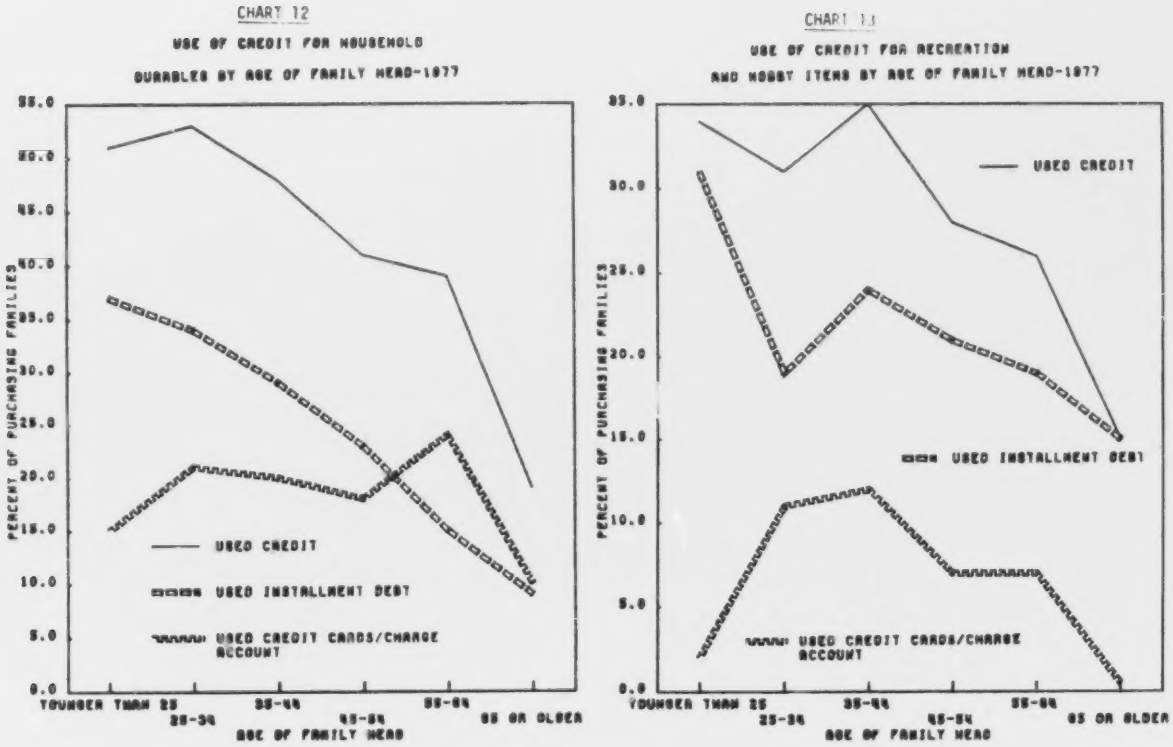
Table 3 indicates that the use of credit was fairly similar among all income brackets (roughly 50 percent) except for the lowest and highest, where only 33 percent of purchasing families used credit to finance household durable purchases. Of those families earning less than $5,000 who used credit to finance a household durable purchase, 77 percent used intallment debt compared with only 44 percent for families earning $25,000 or more (Table 5).

Fifty percent of families who purchased a household durable and were younger than age 35 used credit to finance all or part of at least

one household durable purchase. The proportion of families using credit monotonically declined as family heads became older. Only 19 percent of household durable purchasing families with heads age 65 or older used credit (Table 3 and Chart 12). Seventy-one percent of families who used credit to finance a household durable purchase and were younger than age 25 used installment debt compared with only 44 percent for families age 65 or older (Table 5 and Chart 12). Family heads age 55 or older were the only age group to prefer credit cards/charge accounts to installment debt when using credit to finance a household durable purchase.

The presence of children in married couples, particularly those with children under age six, increased the likelihood that credit would be used for household durable purchases (Table 9). Among married families with children who purchased household durables, 50 percent used credit for at least one household durable purchase, compared with only 33 percent among married couples with no children at home. Among household durable purchasers, credit was used more frequently by married, two-worker families (51 percent) than married, one-worker families (43 percent). In those cases where household durable purchasing families bought a house during 1974 and 1977, 50 percent used credit for at least one household durable purchase compared with 33 percent for those families who bought a house prior to 1974 (Table 9).

Of families who purchased at least one recreation and hobby item, those earning less than $5,000 were most likely to use credit to finance all or part of a recreation and hobby purchase in 1977 (46 percent). Furthermore, this income group was the only income group more likely to use credit to finance recreation and hobby item purchases than household



durable purchases (Table 3 and 9). All income groups clearly preferred installment debt to credit cards/charge accounts when using credit to finance a recreation and hobby item, although the absolute difference generally declined as family income increased (Table 11).

Like household durables, the proportion of families using credit to finance at least one recreation and hobby item purchase declined with age of the family head (Table 9). Of those families who purchased at least one recreation and hobby item and were younger than age 44, 33 percent used credit compared with only 15 percent for family heads age 65 or older. All age groups showed a definite preference for installment debt over credit cards/charge accounts when using credit to finance

a recreation and hobby item. Of families using credit to finance a recreation and hobby item purchase, virtually all heads in the younger than age 25 and 65 or older age groups used installment debt than credit cards/charge accounts (Chart 13 and Table 11).

A Closer Look at Cash Purchases by Selected Demographic Groups

Table 5 indicates that the use of cash for payment of household durable purchases was similar among all income groups (approximately 60 percent) except the highest, where the likelihood of using cash was somewhat greater (72 percent). Family heads age 65 or older was the most likely age group to use cash. Among family heads age 65 or older who purchased at least one household durable, 80 percent used cash compared with about 60 percent for each of the other age groups. Married, retired heads with no children were the most likely life cycle to use cash to purchase a household durable (83 percent). Table 11 indicates that essentially the same relationships held true for recreation and hobby item purchases.

TABLE 1

PURCHASES OF HOUSEHOLD DURABLES: 1962-1977[a]

(Percentage distribution of families)

	Purchases of Household Durables[b]					
	1962	1964	1966	1968	1969	1977[a]
Families Purchasing						
Percentage	45	44	48	48	45	41
Percent using credit[c] (buyers only)	d	d	43	42	39	44
Percent purchasing two or more appliances[f]	d	d	10	14	11	8
Amount spent						
Zero	55%	56%	52%	52%	55%	59%
$1-499	32	31	33	31	27	19
$500 or more	12	12	15	17	18	21
Amount not ascertained	1	1	*	*	*	1
Total	100%	100%	100%	100%	100%	100%
Average amount (buyers only)	$420	$450	$440	$500	$560	$750
Median amount (buyers only)	d	d	$310	$370	$400	$520
Price Index for Durables[e] (1972=100)	84	86	86	91	93	130

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[a] 1977 represents the year August 1976 - July 1977.

[b] Includes purchases of new and used household appliances. Durables other than cars refer to all items of movable furniture and all electrical and gas appliances not permanently built-in or attached to the dwelling structure. Personal effects, recreation items, nonhousehold items (like lawn mowers), and nonappliance household items are not included.

[c] At least one durable was a credit card or charge account purchase or a loan was used for some part of purchase.

[d] Not available.

[e] Consumer durable goods (U.S. Dept. of Commerce, Bureau of Economic Analysis).

[f] Includes only the following items: TV set (color or black and white), refrigerator, washing machine, stove, dryer, dishwasher, air conditioner, sewing machine, radio, record playing equipment, tape recorder, freezer, and for 1966, 1968, and 1969 -- humidifier and de-humidifier.

* Less than 0.5 percent.

Source: 1967 SCF, 1970 SCF, and 1977 SCF.

TABLE 2

PURCHASES OF HOUSEHOLD DURABLES BY INCOME, AGE, AND LIFE CYCLE: 1962-1977[a]

(Percentage distribution of all families)

	Proportion that Purchased					
	1962	1964	1966	1968	1969	1977[c]
All families	45%	44%	48%	48%	45%	41%
Family Income Quintiles						
Lowest	18	28	31	28	26	26
Second	34	39	47	44	40	41
Third	46	45	51	56	49	43
Fourth	52	55	59	55	56	50
Highest	55	54	63	62	57	57
Age of Family Head						
Younger than 25	46	63	61	56	51	54
25-34	57	55	64	65	57	49
35-44	53	55	58	54	53	51
45-54	48	43	47	50	47	40
55-64	37	31	39	39	39	33
65 or older	24	24	28	27	25	24
Life Cycle of Family Head						
Younger than Age 45						
Unmarried	33	35	37	43	31	36
Married, no children	69	67	65	64	57	60
Married, has children	56	59	63	64	58	55
Age 45 or Older						
Married, has children	44	43	57	47	48	46
Married, no children	39	35	39	43	40	32
Unmarried	b	b	b	24	22	25

[a]Represents the year August 1976 - July 1977.

[b]Not available.

[c]The question asked was: "How about large things for the home -- did you buy anything in 1976 or 1977 such as furniture, a refrigerator, stove, washing machine, color television set, air conditioner, other household appliances, and so on?"

Note: The term "no children" means no children under age 18 living at home.

Source: 1967 SCF, 1970 SCF, 1977 SCF.

TABLE 3

HOUSEHOLD DURABLE PURCHASES BY INCOME, AGE, LIFE CYCLE, EDUCATION, HOUSING STATUS, REGION, NUMBER OF WORKERS, AND BELT CODE -- 1977

(Percentage distribution of all families)

	Amounts Spent on Household Durable Purchases										
	Did Not Purchase	Less than $500	$500-1,999	$2,000 or more	Not ascertained	Total	Purchased Two or More	Used Credit[a,b]	Median Spent[b]	Average Spent[b]	Cases[c]
All families	59%	19%	19%	2%	1%	100%	16%	44%	$520	$750	2563
Family Income											
Less than $5,000	78	16	6	*	*	100%	7	33	280	370	343
$5,000-9,999	62	24	13	1	*	100%	15	48	400	480	441
$10,000-14,999	59	21	18	2	*	100%	16	57	480	630	446
$15,000-19,999	54	20	25	1	*	100%	19	50	550	670	342
$20,000-24,999	48	19	29	3	1	100%	23	54	640	830	262
$25,000 or more	43	16	33	6	2	100%	25	35	720	1220	386
Age of Family Head											
Younger than Age 25	46	30	22	2	*	100%	25	51	410	580	225
25-34	51	21	24	3	1	100%	22	53	570	910	587
35-44	49	22	24	4	1	100%	22	48	570	880	402
45-54	60	15	23	1	1	100%	14	41	570	740	437
55-64	67	17	14	1	1	100%	11	39	460	540	429
65 or older	76	14	8	1	1	100%	7	19	410	520	472
Life cycle of Family Head											
Under Age 45											
Unmarried, no children	64	19	15	2	*	100%	15	57	450	800	221
Married, no children	39	25	30	5	1	100%	30	44	620	850	200
Married, youngest child under age 6	45	26	25	3	1	100%	24	57	550	890	406
Married, youngest child age 6 or older	44	22	31	3	*	100%	24	49	620	810	250

TABLE 3 (continued)

	Amounts Spent on Household Durable Purchases										
	Did Not Purchase	Less than $500	$500-1,999	$2,000 or more	Not ascertained	Total	Purchased Two or More	Used Credit[a,b]	Median Spent[b]	Average Spent[b]	Cases[c]
Life Cycle of Family Head (cont'd)											
Age 45 or Older											
Married, has children	54%	19%	24%	1%	2%	100%	18%	53%	$520	$650	258
Married, no children, head in labor force	64	16	19	1	*	100%	12	31	530	650	362
Married, no children, head retired	75	12	12	*	1	100%	8	17	460	550	262
Unmarried, no children, head in labor force	71	14	14	*	1	100%	8	43	460	500	132
Unmarried, no children, head retired	80	13	6	1	*	100%	5	24	360	500	270
Any Age											
Unmarried, has children	63	20	14	2	1	100%	17	39	420	610	182
Education of Family Head											
8th grade or less	73	17	9	*	1	100%	8	41	390	500	450
Some high school	63	19	18	*	*	100%	15	46	470	570	406
High school graduate	55	21	22	1	1	100%	17	48	530	700	769
Some college	54	19	23	3	1	100%	21	43	590	870	484
College graduate	55	16	23	5	1	100%	20	41	630	1020	430
Region											
Northeast	59	22	16	2	1	100%	15	39	450	660	540
North Central	56	18	23	2	1	100%	19	45	560	750	740
South	63	17	16	3	1	100%	14	50	500	800	807
West	57	19	21	2	1	100%	18	39	540	800	476
Number of Workers											
Unmarried, 1 worker	64	18	16	1	1	100%	16	52	460	720	466
Married, 1 worker	54	22	21	2	1	100%	19	43	510	770	822
Married, 2 workers	46	20	30	3	1	100%	23	51	610	850	642
No workers, retired, housewife	76	14	9	1	1	100%	8	24	390	540	629

TABLE 3 (continued)

	Amounts Spent on Household Durable Purchases										
	Did Not Purchase	Less than $500	$500-1,999	$2,000 or more	Not ascertained	Total	Purchased Two or More	Used Credit[a,b]	Median Spent[b]	Average Spent[b]	Cases[c]
Housing Status											
Own House											
Bought 1974-1977	46%	18%	29%	5%	2%	100%	27%	53%	$650	$910	486
Bought prior to 1974	63	18	17	1	1	100%	12	36	480	680	1266
Rent											
Moved in 1974-1977	56	22	19	2	1	100%	20	46	450	640	470
Moved in pr8oor to 1974	70	18	12	*	*	100%	10	55	410	480	242
Neither owns nor rents	57	15	27	1	*	100%	21	63	650	720	75
Belt Code											
Central cities of 12 largest SMSAs	58	12	28	1	1	100%	17	52	600	690	189
Central cities of other SMSAs	58	21	18	2	1	100%	17	44	500	850	490
Suburban areas of 12 largest SMSAs	59	20	18	2	1	100%	14	37	500	780	375
Suburban areas of other SMSAs	61	17	18	2	2	100%	15	49	540	710	585
Adjacent areas of SMSAs	60	19	19	1	1	100%	17	42	520	780	586
Outlying areas of SMSAs	57	21	19	2	1	100%	19	45	500	630	338

*Less than 0.5 percent.

[a]Credit was used for at least one household durable purchase.

[b]Based only on families making a purchase.

[c]Cases do not total "all families" figure (2563) because "don't know" and "not ascertained" have been deleted in each part of the table.

Source: 1977 SCF.

TABLE 4

MEANS OF PAYMENT FOR HOUSEHOLD DURABLE PURCHASES

(Percentage distribution of purchases)

		Purchase Price		
Means of Payment	All Purchases	$1-499	$500-1,000	Over $1,000
Cash	62%	65%	59%	46%
Installment Debt	17	12	21	32
Source				
Store	8	6	8	10
Bank	4	3	5	15
Finance Co./ Credit Union	4	2	7	7
Other	1	1	1	*
Credit Cards	15	17	14	10
Type				
Bank	3	3	3	3
Store	12	14	11	7
Not available	6	6	8	12
Total	100%	100%	100%	100%
Cases	2,767	1,852	602	231
Mean income among buyers	$17,079	$13,857	$18,277	$23,457
Mean age among buyers	42	42	42	38

*Less than 0.5 percent.

Source: 1977 SCF.

TABLE 5

HOUSEHOLD DURABLE PURCHASES AND METHOD OF PURCHASE BY INCOME, AGE, LIFE CYCLE, EDUCATION, REGION, AND NUMBER OF WORKERS -- 1977

(Percentage distribution of all families)

	Did Not Purchase	Purchased at Least One Item	Method of Purchase[a,b]		
			Cash	Loan	Credit Card or Charge Account
All families	59%	41%	64%	26%	19%
Family Income					
Less than $5,000	78	22	65	27	8
$5,000-9,999	62	38	61	31	18
$10,000-14,999	59	41	54	38	20
$15,000-19,999	54	46	60	30	21
$20,000-24,999	48	52	62	27	27
$25,000 or more	43	57	72	15	19
Age of Family Head					
Younger than 25	46	54	65	37	15
25-34	51	49	60	34	21
35-44	49	51	61	29	20
45-54	60	40	61	23	18
55-64	67	33	67	15	24
65 or older	76	24	80	9	10
Life Cycle of Family Head					
Under Age 45					
Unmarried, no children	64	36	57	33	25
Married, no children	39	61	72	26	19
Married, youngest child under age 6	45	55	54	37	21
Married, youngest child age 6 or older	44	56	62	34	16
Age 45 or Older					
Married, has children	54	46	51	27	25
Married, no children, head in labor force	64	36	72	10	21
Married, no children, head retired	75	25	83	8	9
Unmarried, no children, head in labor force	71	29	59	28	15
Unmarried, no children, head retired	80	20	76	11	13
Any Age					
Unmarried, has children	63	37	70	29	13
Education of Family Head					
8th grade or less	73	27	61	32	10
Some high school	63	37	60	27	20
High school graduate	55	45	63	31	18
Some college	54	46	66	27	18
College graduate	55	45	67	16	26
Region					
Northeast	59	41	69	18	22
North Central	56	44	64	26	20
South	63	37	56	33	18
West	57	43	69	26	15
Number of Workers					
Unmarried, 1 worker	64	36	60	34	20
Married, 1 worker	54	46	63	26	18
Married, 2 workers	46	54	60	29	23
No workers, retired, housewife	76	24	78	13	11

[a]Based only on those families making a purchase.

[b]May exceed 100% because of multiple purchases.

Source: 1977 SCF.

PURCHASES OF SPECIFIC HOUSEHOLD DURABLES, PRICES PAID, AND METHOD OF PURCHASE: 1966-1977

(Percentage distribution of all families)

	Color TV			Refrigerator			Stove, Range, or Microwave Oven			Washing Machine		
	1966	1969	1977	1966	1969	1977	1966	1969	1977	1966	1969	1977
Proportion of Families Purchasing	a	9%	6%	9%	8%	6%	7%	5%	4%	9%	8%	6%
Price Paid (proportion of purchases)												
$1-99	a	a	2	19	11	7	23	17	6	16	10	5
$100-199	a	a	5	11	16	7	37	27	4	38	27	9
$200-249	a	a	2	16	11	4	18	19	10	27	32	15
$250-299	a	a	3	19	18	5	9	12	6	11	14	25
$300-399	a	a	23	24	26	18	9	20	32	5	14	37
$400-499	a	a	23	6	10	28	2	3	12	3	1	5
$500 or more	a	a	40	5	8	29	2	2	20	*	2	2
Not ascertained	a	a	2	*	*	2	*	*	10	*	*	2
Total			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Average Price Paid	a	a	$460	$250	$270	$400	$180	$210	$370	$190	$220	$280
Proportion of purchases involving:												
Cash	a	a	58	64	67	61	68	63	63	59	64	56
Loan	a	a	21	36	33	22	32	37	21	41	36	26
Credit cards	a	a	18	a	a	16	a	a	12	a	a	16
Not ascertained	a	a	3	*	*	1	*	*	4	*	*	2
Total			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Cases	a	a	213	215	210	208	214	127	128	276	190	201

	Furniture[b]			Air Conditioner			Other Major Appliances[c]			Other Durables or Appliances[d]		
	1966	1969	1977	1966	1969	1977	1966	1969	1977	1966	1969	1977
Proportion of Families Purchasing	20%	18%	17%	4%	3%	2%	6%	9%	7%	3%	3%	2%
Price Paid (proportion of purchases)												
$1-99	16	8	6	a	a	4	a	a	3	a	a	15
$100-199	21	15	11	a	a	18	a	a	17	a	a	20
$200-249	9	11	6	a	a	13	a	a	14	a	a	11
$250-299	7	6	5	a	a	14	a	a	20	a	a	9
$300-399	11	10	11	a	a	21	a	a	22	a	a	20
$400-499	7	8	13	a	a	11	a	a	16	a	a	7
$500 or more	29	42	46	a	a	18	a	a	5	a	a	11
Not ascertained	*	*	2	a	a	1	a	a	3	a	a	7
Total	100%	100%	100%			100%			100%			100%
Average Price Paid	$430	$630	$740	a	a	$340	a	a	$290	a	a	$290
Proportion of purchases involving:												
Cash	59	64	58	a	a	65	a	a	59	a	a	40
Loan	41	36	25	a	a	19	a	a	19	a	a	36
Credit cards	a	a	14	a	a	15	a	a	19	a	a	24
Not ascertained	*	*	3	a	a	1	a	a	3	a	a	*
Total	100%	100%	100%			100%			100%			100%
Cases	608	428	696	a	a	72	a	a	255	a	a	55

*Less than 0.5 percent.

[a]Not available; [b]Includes pianos and organs; [c]Refers to dryers, dishwashers, and freezers; [d]Includes all other electrical appliances and household durables, i.e., vacuum cleaners, mixers, irons, toasters, electric blankets, lamps, etc.

Source: 1967 SCF, 1970 SCF, and 1977 SCF.

TABLE 7

PURCHASES OF RECREATION AND HOBBY ITEMS, AMOUNT SPENT, AND USE OF CREDIT: 1967-1977

(Percentage distribution of families)

	Recreation and Hobby Items			
	1967	1968	1969	1977
Did not purchase	81%	81%	83%	87%
Purchased at least one item	19	19	17	13
Amount spent:[a]				
Less than $500	16	16	13	7
$500 or more	3	3	4	6
Not ascertained	*	*	*	*
Total	100%	100%	100%	100%
Percent Using Credit[b]	21	20	22	30
Median Amount Spent[b]	$154	$150	$170	$350
Average Amount Spent[b]	$360	$430	$480	$1030
Number of families	2,677	2,317	2,576	2,563

*Less than 0.5 percent.

[a]Before deduction of trade-in; includes amount borrowed.

[b]Based only on families making at least one purchase.

Source: 1968 SCF, 1969 SCF, 1970 SCF, and 1977 SCF.

TABLE 8

PURCHASES OF RECREATION AND HOBBY ITEMS WITHIN VARIOUS DEMOGRAPHIC GROUPINGS IN 1964, 1969, AND 1977[a]

(Percentage distribution of families)

	Percent Purchasing				Percent Using Credit on at Least One Purchase			
	1964	1968	1969	1977[a]	1964	1968	1969	1977[a]
All families	16%	18%	17%	13%	3%	4%	4%	4%
Family Income Quintiles								
Lowest	3	7	5	5	*	1	1	2
Second	10	13	12	9	*	2	2	2
Third	15	18	19	15	3	5	5	5
Fourth	23	29	22	14	4	9	5	6
Highest	28	30	28	11	2	4	6	6
Age of Family Head								
Younger than age 25	22	27	22	19	7	5	6	6
25-34	22	24	25	20	5	6	6	6
35-44	21	26	25	18	2	7	5	7
45-54	16	24	18	15	3	3	4	4
55-64	11	11	9	7	*	2	2	2
65 and older	4	6	5	3	*	*	*	*
Life Cycle of Family Head								
Under Age 45								
Unmarried, no children	20	20	17	18	5	2	2	3
Married, no children	17	29	28	23	5	4	6	9
Married, youngest child under age 6	22	25	26	19	6	7	7	7
Married, youngest child age 6 or older	28	31	28	24	1	8	7	8
Age 45 or Older								
Married, has children	15	18	19	14	2	3	6	5
Married, no children, head in labor force	13	15	14	11	2	2	2	3
Married, no children, head retired	5	9	6	6	*	1	*	*
Unmarried, no children, head in labor force	11	13	7	5	*	2	1	1
Unmarried, no children, head retired	4	3	2	1	*	*	*	1
Any Age								
Unmarried, has children	7	11	9	7	3	3	2	2
Region								
Northeast	14	18	20	10	1	3	3	3
North Central	21	20	16	17	5	5	4	5
South	10	13	13	10	1	3	3	3
West	20	25	23	16	5	5	6	5

*Less than 0.5 percent.

[a]Represents the year August 1976 - July 1977.

[b]The question asked was: "Now about large expenditures for recreation and hobby items--for instance, camping equipment, a vacation trailer, stereo or photographic equipment, a musical instrument, power tools, a boat or sports equipment--did you buy anything of this sort?"

Source: 1970 SCF, and 1977 SCF.

TABLE 9

RECREATION AND HOBBY PURCHASES BY INCOME, AGE, LIFE CYCLE, EDUCATION, REGION, NUMBER OF WORKERS, AND HOUSING STATUS -- 1977

(Percentage distribution of all families)

	Amounts Spent on Recreation and Hobby Purchases										
	Did Not Purchase	Less than $500	$500-1,999	$2,000 or more	Not Ascertainable	Total	Purchased Two or More	Used Credit[a,b]	Median Spent[b]	Average Spent[b]	Cases
All families	87%	7%	4%	2%	*	100%	3%	30%	$350	$1030	2563
Family Income											
Less than $5,000	96	3	1	*	*	100%	1	46	250	670	343
$5,000-9,999	92	6	1	1	*	100%	2	32	170	610	441
$10,000-14,999	89	7	2	1	1	100%	2	25	170	610	446
$15,000,19,999	81	11	5	2	1	100%	4	41	330	1080	342
$20,000-24,999	74	13	11	2	*	100%	4	25	460	860	262
$25,000 or more	79	10	8	3	*	100%	5	27	490	1420	586
Age of Family Head											
Younger than age 25	81	13	3	2	1	100%	4	34	240	780	225
25-34	80	11	6	2	1	100%	4	31	280	100	587
35-44	82	10	6	2	*	100%	5	35	380	1060	402
45-54	85	6	6	2	1	100%	3	28	510	1340	437
55-64	93	4	2	1	*	100%	1	26	390	840	429
65 or older	97	1	1	1	*	100%	*	15	500	2010	472
Life Cycle of Family Head											
Under Age 45											
Unmarried, no children	82	13	3	2	*	100%	4	17	220	970	221
Married, no children	77	15	5	2	1	100%	6	36	280	870	200
Married, youngest child under age 6	81	11	6	1	1	100%	3	38	310	850	406
Married, youngest child age 6 or older	76	12	9	3	*	100%	6	31	470	1090	250
Age 45 or Older											
Married, has children	86	6	5	2	1	100%	3	38	480	1240	258
Married, no children, head in labor force	89	6	4	1	*	100%	2	21	390	970	362
Married, no children, head retired	94	2	2	1	1	100%	1	7	800	1870	262
Unmarried, no children, head in labor force	95	2	2	1	*	100%	*	34	450	2710	132
Unmarried, no children, head retired	99	*	1	*	*	100%	1	50	950	1650	270
Any Age											
Unmarried, has children	93	5	2	*	*	100%	1	23	140	480	182

TABLE 9 (continued)

	Amounts Spent on Recreation and Hobby Purchases										
	Did Not Purchase	Less than $500	$500-1,999	$2,000 or more	Not Ascertainable	Total	Purchased Two or More	Used Credit[a,b]	Median Spent[b]	Average Spent[b]	Cases
Education of Family Head											
8th grade or less	95	3	2	*	*	100%	1	39	$370	$670	450
Some high school	92	4	3	1	*	100%	2	27	600	1000	406
High school graduate	85	8	45	2	*	100%	3	31	330	1000	769
Some college	81	10	6	2	1	100%	4	23	390	1090	484
College graduate	81	12	5	2	*	100%	4	37	280	1130	430
Region											
Northeast	90	6	3	1	*	100%	1	27	310	940	540
North Central	83	9	5	2	1	100%	3	31	340	930	740
South	90	6	3	1	*	100%	2	29	330	1230	807
West	84	9	5	2	*	100%	3	32	410	1050	476
Number of Workers											
Unmarried, 1 worker	88	8	3	1	*	100%	2	20	200	1060	466
Married, 1 worker	84	8	5	2	1	100%	3	35	410	1070	822
Married, 2 workers	80	11	6	2	1	100%	5	33	350	940	642
No workers, retired, housewife	95	2	2	1	*	100%	1	6	470	1250	629
Housing Status											
Own house											
Bought 1974-1977	80	10	7	3	*	100%	3	33	450	1250	486
Bought prior to 1974	88	6	4	1	1	100%	3	30	480	1030	266
Rent											
Moved in 1974-1977	87	10	2	1	*	100%	3	24	270	460	470
Moved in prior to 1974	91	5	2	2	*	100%	3	35	530	1930	242
Neither own nor rent	93	6	2	*	1	100	*	37	270	410	75

*Less than 0.5 percent; [a]Credit was used for at least one recreation and hobby item purchase; [b]Based only on families purchase; [c]Cases do not total to "all families" figure (2563) because "don't know" and "not ascertained" have been deleted in each part of the table.

Source: 1977 SCF.

TABLE 10

MEANS OF PAYMENT FOR RECREATION AND HOBBY PURCHASES

(Percentage distribution of purchases)

	Purchase Price			
Means of Payment	All Purchases	$1-499	$500-1,000	Over $1,000
Cash	70%	76%	73%	48%
Installment Debt	16	8	13	43
Source				
Store	4	4	3	3
Bank	7	2	5	25
Finance Co./ credit union	4	2	5	11
Other	1	*	*	4
Credit Cards	8	10	10	2
Type				
Bank	3	4	3	2
Store	5	6	7	*
Not available	6	6	4	7
Total	100%	100%	100%	100%
Cases	263	149	45	64
Average income among buyers	$20,297	$19,113	$24,500	$20,527
Average age among buyers	38	36	40	39

*Less than 0.5 percent.

Source: 1977 SCF.

TABLE 11

RECREATION AND HOBBY PURCHASES AND METHOD OF PURCHASE
BY INCOME, AGE, LIFE CYCLE, EDUCATION, REGION, AND NUMBER OF WORKERS -- 1977

(Percentage distribution of all families)

	Did Not Purchase	Purchased at Least One Item	Method of Purchase[a,b]		
			Cash	Loan	Credit Card or Charge Account
All families	87%	13%	71%	22%	9%
Family Income					
Less than $5,000	96	4	46	31	15
$5,000,9,999	92	8	71	32	3
$10,000-14,999	89	11	67	22	4
$15,000-19,999	81	19	61	30	11
$20,000-24,999	74	26	78	19	6
$25,000 or more	79	21	77	15	12
Age of Family Head					
Younger than age 25	81	19	67	31	2
25-34	80	20	71	19	11
35-44	82	18	69	24	12
45-54	85	15	69	21	7
55-64	93	7	81	19	7
65 or older	97	3	77	15	*
Life Cycle of Family Head					
Under Age 45					
Unmarried, no children	82	18	77	15	5
Married, no children	77	23	68	30	6
Married, youngest child under age 6	81	19	66	21	17
Married, youngest child age 6 or older	76	24	72	23	8
Age 45 or Older					
Married, has children	86	14	59	30	8
Married, no children, head in labor force	89	11	79	14	7
Married, no children, head retired	94	6	87	7	*
Unmarried, no children, head in labor force	95	5	67	33	*
Unmarried, no children, head retired	99	1	75	50	*
Any Age					
Unmarried, has children	93	7	77	15	8
Education of Family Head					
8th grade or less	95	5	61	30	9
Some high school	92	8	73	27	*
High school graduate	85	15	69	25	6
Some college	81	19	75	18	5
College graduate	81	19	71	18	19
Region					
Northeast	90	10	71	22	7
North Central	83	17	70	23	9
South	90	10	69	24	6
West	94	6	76	18	13
Number of Workers					
Unmarried, 1 worker	88	12	80	19	4
Married, 1 worker	84	16	68	24	11
Married, 2 workers	80	20	70	23	10
No workers, retired, housewife	95	5	74	13	3

*Less than 0.5 percent; [a]Based only on those families making a purchase; [b]May exceed 100% because of multiple purchases. Source: 1977 SCF.